



CITY OF ELLENSBURG

Utility Advisory Committee

Date of Meeting

January 21, 2021

Time of Meeting

3:30 PM

Place of Meeting

Virtual Conference

Nancy Lillquist, Chairperson, term expires May 31, 2022

Ed Barry, Vice Chairperson, term expires May 31, 2023

Nancy Goodloe, City Council, term expires May 31, 2021

Gary Gleason, CWU, term expires May 31, 2022

Bob Johnson, KITTCOM, term expires May 31, 2023

Jim Goeben, Telecommunications Utility customer, term expires May 31, 2023

Vacant, City Utility Customer

1. CALL TO ORDER

Chair Lillquist called the meeting to order at 3:30 pm.

2. ROLL CALL

Members present: Nancy Lillquist, Chair; Nancy Goodloe, City Council; Gary Gleason, CWU. Jim Goeben and Bob Johnson were absent due to no telecomm items. Ed Barry, Vice Chair was absent (unexcused).

Also present: Ryan Lyyski, Public Works & Utilities Director; Mike Helgeson, Assistant Public Works Director; Kim Caulkins, Operations Analyst; Jon Morrow, Stormwater Manager; Darin Yusi, Gas Engineer; Buddy Stanavich, Power & Gas Manager; Darren Larsen, Assistant Utilities Director; Julie Coppock, Rate Analyst.

Chair Lillquist moved to amend the agenda to add House Bill 1084 to 8.B. under discussion items.

3. ELECT CHAIRPERSON AND VICE CHAIRPERSON

Members chose to defer the election of chairpersons until the February 18th meeting.

4. APPROVAL OF MINUTES

4.A. Approve minutes - December 17th, 2020 regular meeting minutes

Goodloe moved to approve the minutes. Gleason seconded. All in favor; **motion approved.**

5. APPROVAL OF CONSENT AGENDA

Consent items have been distributed to committee members in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be

removed from the Consent Agenda and placed on the Regular Agenda at the request of a committee member or at the request of a member of the public with concurrence of a committee member.

6. CORRESPONDENCE AND CITIZEN COMMENTS ON NON-AGENDA ITEMS

7. TELECOMMUNICATIONS UTILITY DISCUSSION ITEMS

8. ELECTRIC, NATURAL GAS, WATER, WASTEWATER, STORMWATER UTILITY DISCUSSION ITEMS

8.A. Amendment # 2 to the Reecer Levee Certification Contract with Aspect Consulting
Jon Morrow explained the need for amendment #2 to the contract with Aspect Consulting.

Goodloe moved the committee make a favorable recommendation to City Council to authorize amendment #2 to the Reecer Levee Certification Contract with Aspect Consulting. Gleason seconded. All in favor; **motion approved.**

8.B. House Bill 1084

Darin Yusi presented a brief summary of HB 1084 and shared a proposed draft testimony to present at the public hearing on January 22nd. Members suggested modifying the testimony to indicate that without natural gas, the strain on the electric infrastructure could cause blackouts during peaking loads in winter months. Staff confirmed the revision would be made.

Gleason moved to submit the testimony to the legislature regarding House Bill 1084. Goodloe seconded. All in favor; **motion approved.**

8.C. Natural Gas Rebates for 2021-2022

Darin Yusi presented the proposed two year budgeted natural gas rebates. Members discussed rebate types and the possibility of further removing and/or modifying rebate types and amounts of some rebates or to leave as proposed.

Gleason moved to approve the proposed natural gas rebates. Goodloe seconded. **Goodloe/Gleason in favor, Lillquist opposed; motion approved.** Lillquist amends motion to reduce the duration of the proposed rebates to one year. All in favor; **motion approved.**

8.D. CLEAN ENERGY TRANSFORMATION ACT - UPDATE

Buddy Stanavich shared a list of CETA requirements the City must meet in 2021.

9. INFORMATION ONLY ITEMS

9.A. Introduction of Mike Helgeson, Assistant Public Works Director

Mike Helgeson, the new Assistant Public Works Director, was introduced during roll call.

9.B. Public Works & Utilities Issues and Updates

Staff shared updates for each Public Works & Utilities Department.

10. NEXT MEETING

10.A. February 18th, 2021 at 3:30 pm

11. ADJOURNMENT

With no further discussion, the meeting adjourned at 5:01 pm.

Kim Caulkins
Recording Secretary
Drafted: 1/22/2021
Approved: 2/18/2021

Good morning. My name is Darin Yusi, I am the Gas Engineer at the City of Ellensburg. The City of Ellensburg has been providing natural gas to its community since 1956 and currently has nearly 4,900 customers that depend on natural gas on a daily basis.

The City of Ellensburg and surrounding communities, have an abundance of resources that benefit our community members, including natural gas. Natural gas provides many of our citizens an affordable, reliable and efficient source of energy that the City is proud to provide. The natural gas system relies on qualified workers who earn the family living wages that this bill seeks to maintain. For example, the 2018 Kittitas County average wages ranged from \$39,597 - \$42,669, while a gas journeyman earned \$88,670 in 2020.

Our gas utility, and local government is fully supportive of being responsible to our community now and into the future. We agree that carbon emissions are something that need to be addressed for our future generations and it is our responsibility to not delay these efforts. That being said, we feel additional time is necessary to help further decipher the language and intent of HB 1084, with hopes of revisions to the bill that could continue the reductions of carbon emissions without potential impacts to electric utilities and rates, and without decreasing the energy redundancies and reliabilities that are currently in place. Resource adequacy should be a main concern when developing legislation - with coal-fired generation going offline at an accelerated pace, we need to encourage more residents to have reliable and efficient energy in their homes, not less, or risk the inevitable rolling blackouts. The City would also appreciate the opportunity to provide input and comment on this Bill as it moves forward through the process.

The natural gas industry has played a major role in helping to reduce carbon emissions, while at the same time providing a reliable and affordable energy source. Emphasis and focus should continue to be in making customer appliances more efficient, continuing to research and expand upon renewable natural gas (RNG), and limiting direct methane into the atmosphere from natural gas transmission and distribution systems.

The City of Ellensburg operates its own electric and natural gas utility. At this time, the City needs more time to fully review and analyze the Bill to determine the comprehensive effect and impacts to our utilities, our customers and our community. Our community has enjoyed a secondary source of safe, reliable and economic energy as well as reducing electric load requirements on our infrastructure during wintertime peaking of the electrical system. Gas heat is currently approximately 50% the cost of electric heat, with average gas customers paying \$91/mo. to heat their homes in winter compared to \$175/mo. for electric heat in Central Washington. It would be irresponsible to force our customers to pay twice as much to heat their homes with electricity, and further disproportionately impact low income citizens of our state.

I believe Washington HB 1084 should be tabled to allow a more thorough review by all citizens and utility service providers, with a goal of coming up with a revised bill that seeks for continued reductions in carbon emissions, but without the complete removal of a necessary energy source. I would welcome the opportunity to work with your staff to discuss further.

Thank you for taking the time to consider these comments.